STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: ARBON HAIRSTON,

)File No. 0400119

D/B/A SATELLITE DOCTORS

CONSENT ORDER

TO THE RESPONDENT:

Arbon Hairston

d/b/a Satellite Doctors
100 Emerson Avenue West

Apartment #311

West Saint Paul, Minnesota 55118

WHEREAS, Respondent, Arbon Hairston, d/b/a Satellite Doctors, (the "Respondent") on May 7, 2005, executed a certain Stipulation To Enter Consent Order of Prohibition (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondents have consented to the entry of this Consent Order of Prohibition.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged, while neither admitting or denying the truth thereof, that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

Count I (Violation of 12.A and 12.D)

- 1. That Respondent, Satellite Doctors was a business entity with a last known address of P.O. Box 178, Maryville, Illinois:
- That, at all times relevant the Respondent Arbon Hairston was an officer, director, agent or employee of Satellite Doctors;
- That on or about March 31, 2000, Arbon Hairston, d/b/a Satellite Doctors, (hereinafter "Hairston") offered and sold

Carole Riggin (hereinafter, "Riggin") a 90 day promissory note in return for a loan of \$5,000;

- 4. That the above-referenced promissory note is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act"):
- 5. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those set forth under Section 2a, or those exempt under Section 3, or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
- 6. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to offer or sell any securities except in accordance with the provisions of the Act;
- 7. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document required to be filed under any provision of the Act;
- 8. That at all times relevant hereto, the Respondent, Arbon Hairston, failed to file an application for registration of the above referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
- 9. That by virtue of the foregoing, the Respondent, Arbon Hairston, has violated Sections 12.A and 12.D of the Act;
- 10. That Section 11.E(2) of the Act provides, <u>inter alia</u>, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
- 11. That Section 11.E(4) of the Act provides, <u>inter alia</u>, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;

12. That by virtue of the foregoing, the Respondent, Arbon Hairston, is subject to a fine of up to \$10,000.00 per violation, an order of public censure, costs of investigation and reasonable expenses, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois;

Count II (Violation of 12.A and 12.D)

- 1-2. Paragraph 1-2 of Count I is re-alleged and incorporated as paragraph 1-2 of this Count II;
- 3. that on or about April 8, 2000, Arbon Hairston, d/b/a Satellite Doctors, (hereinafter "Hairston") offered and sold Morris Hargrove (hereinafter, "Hargrove") a 90 day promissory note in return for a loan of \$2,000;
- 4. That the above-referenced promissory note is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
- 5. That Section 5 of the Act provides, inter alia, that all securities except those set forth under Section 2a, or those exempt under Section 3, or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
- 6. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to offer or sell any securities except in accordance with the provisions of the Act;
- 7. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document required to be filed under any provision of the Act;
- 8. That at all times relevant hereto, the Respondent, Arbon Hairston, failed to file an application for registration of the above referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
- 9. That by virtue of the foregoing, the Respondent, Arbon Hairston, has violated Sections 12.A and 12.D of the Act;

- 10. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
- 11. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;
- 12. That by virtue of the foregoing, the Respondent, Arbon Hairston, is subject to a fine of up to \$10,000.00 per violation, an order of public censure, costs of investigation and reasonable expenses, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

- 1. That by virtue of the foregoing, the Respondent, Arbon Hairston, has violated Sections 12.A and 12.D of the Act;
- That by virtue of the foregoing, the Respondent, Arbon Hairston, is subject to an order which permanently prohibits them from offering or selling securities in the State of Illinois.

WHEREAS, the Respondent has acknowledged and agrees that the Respondent, Arbon Hairston, shall be permanently prohibited from offering and selling securities in the State of Illinois;

WHEREAS, the Respondent has acknowledged and agrees that the Respondent Arbon Hairston will pay restitution to Carole Riggin in the amount of \$5,000 and Morris Hargrove in the amount of \$2,000, that such payment will be made by money orders or cashier's checks payable to the Carole Riggin and Morris Hargrove in the amounts specified above, and that said checks will be mailed or delivered to the Illinois Department of Securities, Jefferson Terrace, 300 West Jefferson Street, Suite 300A, Springfield, Illinois 62702, in such a manner that said checks

-5-

will arrive at the aforesaid address of the Illinois Department of Securities on or before June 23, 2005;

NOW THEREFORE IT IS HEREBY ORDERED THAT:

- 1. The foresaid allegations contained in the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law;
- The Respondents shall be permanently prohibited from offering and selling securities in the State of Illinois, and;
- 3. The Respondent shall pay restitution to Carole Riggin in the amount of \$5,000 and Morris Hargrove in the amount of \$2,000, that such payment will be made by money orders or cashier's checks payable to the Carole Riggin and Morris Hargrove in the amounts specified above, that said checks will be mailed or delivered to the Illinois Department of Securities, Jefferson Terrace, 300 West Jefferson Street, Suite 300A, Springfield, Illinois 62702, in such a manner that said checks will arrive at the aforesaid address of the Illinois Department of Securities on or before June 23, 2005;

ENTERED: This 13 day of May, 2005.

Besse White =

JESSE WHITE Secretary of State State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12(D) of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

Attorney for the Secretary of State Johan Schripsema

Consent Order

Illinois Securities Department Jefferson Terrace 300 West Jefferson Street Suite 300A Springfield, Illinois 62702 Telephone: (217) 524-1688

Hearing Officer: Jon K. Ellis Attorney at Law 1035 South 2nd Street Springfield, Illinois 62704